PEACE VALLEY SOLIDARITY INITIATIVE
SITE C SUMMIT – JANUARY 25/26, 2018 – KEY ECONOMIC FINDINGS

Copies of presentations: **siteCsummit.ca**

A. UNPACKING THE NDP GOVERNMENT DECISION ON SITE C

Robert McCullough, International Energy Expert

- Cancellation of Site C will not trigger an immediate 12% rate increase.
- Cancellation will not incur a $3 to $4 billion write down.
- Cancellation will not mean $125 to $150 million in new annual debt service and postponement of needed capital spending.
- Cancellation will not cause a bond rating downgrade.
- **Cancellation will save $3.5 billion for other infrastructure.**

Seth Klein, BC Director Canadian Centre for Policy Alternatives

- The interest costs on the costs of termination (max $150 million/year) are easily affordable within the BC Budget, currently about $50 billion.
- There was little or no risk of a downgrade from the credit rating agencies in the event of termination.
- Even if there was a downgrade, the impact to BC finances is minimal.
- The new BC government needs to listen less to its finance officials and more to those outside government.

B. LONG TERM IMPACTS OF DECISION/ALTERNATIVE VISION

Judith Sayers, President Nuu-chah-nulth Tribal Council)

- First Nations have embraced clean energy because it can be done with minimal impact to their rights, the environment and is within their values.
- Brings many benefits including revenue, jobs, capacity building, community pride, management of the territory, reduces GHG, creates energy security, regional independence of power and partnerships.
- Site C will create more power than BC needs and as of today has no market. Therefore BC Hydro has stopped procurement from clean energy for the foreseeable future.
- Site C is the main reason that First Nations will not be able to develop clean energy for economic development purposes. First Nations have invested $3,880,000 in clean energy projects that cannot proceed because there is no opportunity to develop projects

Andrew Nikiforuk, Award Winning Journalist and Author

- The Site C Dam, if completed, will be a political, fiscal and ecological trainwreck felt by every citizen of this province.

- Nine out of 10 megaprojects go overbudget, overtime and under benefits over and over again due to political corruption and economic deception.

- Newfoundland's Muskrat Falls Dam and Manitoba's Keeyask Dam are classic cases. These boondoggles now threaten their provinces with double or triple rate increases as well as crippling provincial debt.

- Given that Site C started as a $6.5 billion project in 2014 and now is projected to cost $10.7 billion in 2018 with another seven years of construction to come, the project is already a fiscal trainwreck.

- The sunken cost fallacy now rules Site C: because we have spent $2-billion, the government now proposes to waste another $10-billion with no guarantee of an economic return.

- Economists have concluded that large dams are too costly to deliver returns and that responsible governments will pursue smaller and more agile energy alternatives.

Guy Dauncey, Eco-futurist and Author

- If British Columbia is to tackle the climate crisis with the urgency that the climate scientists are calling for we will need to electrify all our vehicles, retrofit all our buildings to use heat pumps, and convert industry from fossil fuels to electricity, hydrogen or biofuels. My estimate of how much new power will be needed, including conservation as a resource, is 45,000 GWh a year.

- BC Hydro has estimated that wind energy has the potential to generate 49,000 GWh a year. In January 2017, Alberta contracted new wind energy at 3.7 cents/kwh. In BC, with more mountainous conditions, the equivalent might be 5.7 cents. The power from Site C is likely to cost 10 cents/kwh or more, depending on extent of the eventual budget overrun.

- The steady application of energy conservation and demand-side management could save 1,000 GWh a year, accumulating to 23,000 GWh a year by 2040 at a cost of 5 cents/kwh.

- Solar energy is falling in price quite steadily. In Colorado, utility-scale solar PV was recently contracted for US 2.9 cents/kwh. The equivalent for BC, wth 50% less solar radiation, would be CAN 5.4 cents/kwh. By 2040, solar PV could contribute 6,500 GWh a year. Geothermal energy could also contribute a further 1,400 GWh a year.

- Generating an additional 45,000 GWh a year by 2040 would create 227,000 jobs, and open many opportunities for First Nations, the private sector, and for worker-owned and community cooperatives.